GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:1101
ANSWERED ON:09.12.2003
CAPITAL SUBSIDY
BHASKAR RAO PATIL

Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) whether Credit Linked Capital Subsidy Scheme (CLCSS) provides capital subsidy to small scale and medium scale drug units;

(b) if so, the details thereof;

(c) whether the Union Government has taken any financial steps to facilitate technology upgradation of small and medium scale drug units which are required to implement the provisions of Schedule of Notification under GSR No. 894 dated 11.12.2001 issued by the Health Ministry;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

Answer

MINISTER OF STATE FOR SMALL SCALE INDUSTRIES AND DEVELOPMENT OF NORTH-EASTERN REGION (SHRI SIKDAR)

(a) & (b): Credit Linked Capital Subsidy Scheme (CLCSS) provides for 12% upfront capital subsidy to SSI units including tiny units on institutional finance availed by them through 28 Banks, 12 State Financial Corporations, 34 Cooperative Banks, 31 Regional Rural Banks and National Small Industries Corporation for induction of Well Established and Improved Technologies approved under the Scheme relating to 30 specified products/sub-sectors including the drug units. The eligible subsidy is calculated on the actual loan amount not exceeding Rs. 40 lakh under the guidelines of the Scheme. The Scheme is being implemented at the national level through two Nodal Agencies, namely, Small Industries Development Bank of India and National Bank for Agriculture and Rural Development.

(c) & (d): The notification issued by the Health Ministry under GSR No. 894 dated 11.12.2001 pertains to the provisions for Good Manufacturing Practices (GMP) for Drugs & Pharmaceuticals. These are broadly covered under the eligible Well Established and Improved Technologies for Drugs & Pharmaceuticals.

(e): Does not arise.